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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/801,238	03/15/2004	David Lawrence	G08.147/U	2021

28062 7590 10/15/2007

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EXAMINER	
RANKINS, WILLIAM E	

ART UNIT	PAPER NUMBER
4172	

MAIL DATE	DELIVERY MODE
10/15/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/801,238	LAWRENCE, DAVID	
	Examiner	Art Unit	
	William E. Rankins	4172	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *15 March 2004*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-19* is/are pending in the application.

4a) Of the above claim(s) *13-19* is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-12* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☒ Claim(s) *1-19* are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *6/20/2005*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

Detailed Action

Election/Restrictions

Restriction to one of the following inventions is required under 35 U.S.C. 121

I. Claims 1-12, drawn to a method for managing issuance of shares of stock, classified in class 705, subclass 36r.

II. Claims 13 and 14, drawn to a method of obtaining one or more shares of stock comprising a new bond offering, classified in class 705, subclass 39.

III. Claims 15 and 17, drawn bidding on remaining shares of stock comprising the initial public offering, classified in class 705, subclass 37.

IV. Claim 16, drawn to a computerized apparatus for allocating shares of stock, classified in class 705, subclass35.

V. Claims 18, drawn to a computer data signal embodied in a digital data stream comprising data relating to an initial public offering of shares of stock, classified in class 705, subclass 36T.

IV. Claims 19, drawn to a method for participating in an initial public offering of shares of stock, classified in class 705, subclass 4.

Inventions I, II, III, and IV are related as combination and subcombination. Inventions in this relationship are distinct if it can be shown that (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, and (2) that the subcombination has utility by itself or in other

combinations (MPEP § 806.05(c)). In the instant case, the combination as claimed does not require the particulars of the subcombination as claimed because Invention I has a method for managing issuance of shares of stock in an initial public offering, Invention II has a method of obtaining one or more shares of stock comprising a new stock offering, Invention III has bidding on remaining shares of stock comprising the stock offering, and Invention IV has a computerized apparatus for allocating shares of stock. The subcombination has separate utility such as Invention I has a method for managing issuance of a new bond, Invention II has a method of obtaining one or more bonds comprising a new bond offering, Invention III has bidding on remaining bonds comprising the bond offering, and Invention IV has a computerized apparatus for allocating bonds.

Inventions V and VI are related as apparatus and product made. The inventions in this relationship are distinct if either or both of the following can be shown: (1) that the apparatus as claimed is not an obvious apparatus for making the product and the apparatus can be used for making a materially different product or (2) that the product as claimed can be made by another and materially different apparatus (MPEP § 806.05(g)). In this case Invention V has a computer data signal embodied in a digital data stream comprising data relating to an initial public offering of shares of stock and Invention VI has a method for participating in an initial public offering of shares of stock. Invention VI can be used for the participation in the initial public offering of shares of

stock and Invention V can be used for the data relating to an initial public offering of shares of stock.

Because these inventions are independent or distinct for the reasons given above and there would be a serious burden on the examiner if restriction were not required because the inventions have acquired a separate status in the art in view of their different classification, restriction for examination purposes as indicated is proper.

Because these inventions are independent or distinct for the reasons given above and there would be a serious burden on the examiner if restriction were not required because the inventions require a different field of search (see MPIEP § 808.02), restriction for examination purposes as indicated is proper.

Because these inventions are independent or distinct for the reasons given above and there would be a serious burden on the examiner if restriction were not required because the inventions have acquired a separate status in the art due to their recognized divergent subject matter, restriction for examination purposes as indicated is proper.

During a telephone conversation with Attorney Kurt Maschoff on October 10th, 2007 a non-provisional election was made without traverse to prosecute the invention of Group I (claims 1-12). Applicant in replying to this Office action must make affirmation

of this election. Claims 13-19 are withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

A review of the claims and updated search necessitated the rejections below.

Double Patenting

1. A rejection based on double patenting of the "same invention" type finds its support in the language of 35 U.S.C. 101 which states that "whoever invents or discovers any new and useful process ... may obtain a patent therefor ..." (Emphasis added). Thus, the term "same invention," in this context, means an invention drawn to identical subject matter. See *Miller v. Eagle Mfg. Co.*, 151 U.S. 186 (1894); *In re Ockert*, 245 F.2d 467, 114 USPQ 330 (CCPA 1957); and *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970).

A statutory type (35 U.S.C. 101) double patenting rejection can be overcome by canceling or amending the conflicting claims so they are no longer coextensive in scope. The filing of a terminal disclaimer cannot overcome a double patenting rejection based upon 35 U.S.C. 101.

2. Claims 1-12 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1-12 of copending Application No. 10/730224 (Lawrence). Although the conflicting claims are not identical, they are not patentably distinct from each other because the items being offered at auction, i.e. the bonds and stocks, are both securities and broadly providing an automatic means to replace a manual activity which accomplishes the same result is not sufficient to distinguish over the prior art, In re Venner 262 F.2d 91,95 120 USPQ 193, 194 (CCPA 1958).

This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

3. Claim 1 and 5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041) and further in view of Sheehan et al. (2001/0049647).

As per claim 1;

Maltzman discloses:

A computer implemented method for offering an option to sell and buy items, the method comprising:

offering in a computer system, items to one or more pre-auction bidders at a pre-auction price (paragraph 0018);

receiving into a memory in the computer system, an indication from the one or more pre-auction bidders accepting the offer at the pre-auction price (paragraph 0032, figs. 1, 5a and 5b);

publishing in the computer system, information descriptive

of one or more pre-auction sales (paragraph 0029, fig.1, server 20 and fig. 4 block 660);

accepting into the memory in the computer system, the offer at the pre-auction price (paragraph 0034, figs. 5B block 330 and 340.

Maltzman does not disclose:

allocating shares of stock comprising an initial public offering.

However, Moshal et al. discloses:

An initial public offering using a Dutch auction (paragraph 0096).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Moshal et al. increase the expediency and efficiency of initial public offerings.

Maltzman also does not disclose:

Auctioning the remaining shares.

However, Sheehan et al. discloses:

Internet based auctions comprising pre-auctions where remaining merchandise is offered in a public auction (paragraph 0009).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman, Moshal et al. and Sheehan et al.

One of ordinary skill in the art would be motivated to do so in order to increase the chances of selling the shares at the average minimum share price stipulated by the

issuer. The pre-auction offering will give the issuer an idea of the shares value on the open market and allow the sale to continue or be canceled.

As per claim 5;

Maltzman does not disclose:

The method of claim 1 additionally comprising the step of determining with the processor in the computer system, pre-auction bidders based upon at least one of: investor suitability, investment objectives and prior investment history.

However, Sheehan et al. Discloses:

Sellers can also scan the database 130 for likely buyers and send an unsolicited invitation to allow the buyer access to pre-auction activities (paragraph 0016).

The examiner asserts that the "investor suitability", which is not further defined in the specification, is similar in scope to the determination of a "likely buyer".

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Sheehan et al.

One of ordinary skill in the art would be motivated to do so in order to increase efficiency and cost effective advertising or promotion.

4. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041), further in view of Sheehan et al. (2001/0049647), and further in view of Atkinson et al. (2001/0021923).

As per claim 2;

Maltzman discloses:

The method of claim 1 wherein the information descriptive of the pre-auction sales comprises the pre-auction price (paragraph 0029).

Maltzman does not disclose:

The information descriptive comprises pre-auction bidders.

However, Atkinson et al discloses:

Data held in one or more storage devices that may include pre-auction data including suppliers permitted to bid on a particular auction.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Atkinson et al.

One of ordinary skill in the art would be motivated to do so in order to combine provide regular auction buyers with information which may help them ascertain the value of the items up for bid and the amount which they are willing to pay based on the pre-auction price and the influence or reliability of the pre-auction bidders.

5. Claims 3, 10 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041), further in view of Sheehan et al. (2001/0049647), and further in view of Buist et al. (2002/0035534).

As per claim 3;

Maltzman does not disclose:

The method of claim 1 additionally comprising the step of publishing via the computer system, the number of shares offered at the pre-auction price.

However, Sheehan discloses:

A pre-auction over the Internet (paragraph 0009).

Additionally, Buist et al discloses:

Posting on the Internet, auction information including the number of share offered and the auction price.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Sheehan et al. and Buist et al.

One of ordinary skill in the art would be motivated to do so in order to provide information necessary for bidders to make offers on share of stock offered at pre-auction.

As per claim 10;

Maltzman does not disclose:

The method of claim 1 wherein auctioning comprises the steps of:

receiving into the memory in the computer system, one or more bids comprising a price per share and a number of shares;

and allocating with the processor in the computer system, shares according to a highest price per share bid for a corresponding number of shares until all shares comprising the initial public offering have been allocated.

However, Buist et al. discloses:

An order book display for an auction showing bids comprising price per share and number of shares (paragraph 0070 and fig. 11).

Buist also discloses:

An allocation method (Fig. 15A, paragraph 8) where share allocation is based on the highest price per bid and an auction close method (Fig. 15 a, paragraph 13) where the auction will close when the issuer has received bids for a number of shares equal to or greater than the offering size.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Buist et al.

One of ordinary skill in the art would be motivated to do so in order to provide a fair and impartial process of bidding to all prospective bidders.

As per claim 11;

Maltzman does not disclose:

The method of claim 10 wherein if more than one bid is received comprising the same price per share, shares are allocated for that price on a first bid

received, first shares allocated basis.

However Buist et al. discloses:

A pricing and allocation method (Fig. 15 A, Paragraph 8) where bids at the same price per share are allocated shares based upon the first bid received.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Maltzman and Buist et al.

One of ordinary skill in the art would be motivated to do so in order to provide a fair and impartial bidding method to all potential bidders.

6. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041), further in view of Sheehan et al. (2001/0049647), and further in view of Ausubel et al. (2004/00554551), and further in view of Buist et al. (2002/0035534).

As per claim 4:

Maltzman does not disclose:

The method of claim 1 additionally comprising the step of publishing via the computer system, how many shares each pre-auction bidder received.

However, Sheehan et al discloses:

A pre-auction over the Internet (paragraph 0009).

Additionally, Ausubel et al. discloses:

A message sent via computer including the allocation of items among bidders and the payment of the bidders (paragraph 0133).

Finally, Buist et al. discloses:

A method and apparatus for auctioning securities (title).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Sheehan et al., Ausubel et al. and Buist et al.

One of ordinary skill in the art would be motivated to do so in order to provide investors with information they can use to assess the value of the stock and enable them to make sound decisions.

7. Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041) and further in view of Sheehan et al. (2001/0049647), and further in view of Agarwal et al.(2002/0099646).

As per claim 6;

Maltzman does not disclose:

The method of claim 1 wherein the pre-auction price is determined by an issuer of the stock and an underwriter for the stock.

However, Sheehan et al discloses:

A pre-auction over the Internet (paragraph 0009).

Additionally, Agarwal et al. discloses:

Syndication functions that allow underwriters/dealers (issuers) to determine demand for an issue of securities and set a price.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman, Sheehan et al. and Agarwal et al.

One of ordinary skill in the art would be motivated to do so in order to price the security at a price that is fair to both the seller and the buyer and expedites the sale of the security.

8. Claim 7 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041) and further in view of Sheehan et al. (2001/0049647), and further in view of Hoffman et al. (20020049664) and further in view of Official Notice.

As per claim 7;

Maltzman does not disclose:

The method of claim 1 additionally comprising the step of making available in the computer system, a list of those pre-auction bidders that have previously purchased pre-auction shares comprising an offering underwritten by an investment bank involved in the initial public offering.

However, Sheehan et al. discloses:

Pre-auction trading (paragraph 0009).

Additionally, Hoffman et al. discloses:

A bidder list, compiled in a system, from previous auctions (paragraph 0069, 0072).

Finally, the examiner takes Official Notice that underwriting by an investment bank of shares of stock in an initial public offering is old and well known.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman, Sheehan et al. and Hoffman et al. together with the underwriting of an investment bank for an IPO.

One of ordinary skill in the art would be motivated to do so in order to provide sufficient notice to interested bidders.

As per claim 8;

Maltzman does not disclose:

The method of claim 7 additionally comprising the step of making available in the computer system, information descriptive of an investment experience related to the previously purchased pre-auction shares comprising the pre-auction price of the previously purchased pre-auction shares.

However, Hoffman et al. discloses:

A bidder list, compiled in a system, with registered bidders comprehensive contact information in their user profiles.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Hoffman et al.

One of ordinary skill in the art would be motivated to do so in order to maintain and access sufficient information about potential bidders to enable sellers to contact the bidders most likely to buy.

9. Claim 9 is rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041) and further in view of Sheehan et al. (2001/0049647), and further in view of Official Notice.

As per claim 9:

Maltzman does not disclose:

The method of claim 1 additionally comprising the steps of:

setting in the memory in the computer system, a reserve price for the initial public offering;

and determining with the processor in the computer system, a total amount to be received from accepted pre-auction offers and auction bids;

and conditioning with the processor in the computer system, sale of the shares comprising the initial public offering, upon the total amount equaling or exceeding the reserve price.

However, Moshal et al. discloses:

A reserve price auction as offered on EBAY (paragraph 006) and an example of a Dutch auction being an Initial Public Offering (paragraph 0096).

Additionally, the examiner takes Official Notice that it is old and well known in the art to use a computer system or to calculate by hand, the expected amount to be received from pre-auction and auction bids and to use the computer system, or calculate by hand, whether or not the reserve price has been met and to decide whether or not to issue the IPO as a result e.g. when the Dot com bubble burst, any IPO which expected to raise a particular sum of money but did not may have been subject to cancellation.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Moshal et al. and the use of a computer system to calculate the expected amount to be raised from the offering and to automatically decide to issue or cancel the offering based upon the expected amount compared to the reserve price.

One of ordinary skill in the art would be motivated to do so in order to automate the entire auction process.

10. Claims 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Maltzmann (2002/0107779) in view of Moshal et al. (2001/0042041), further in view of Sheehan et al. (2001/0049647), and further in view of Buist et al. (2002/0035534), and further in view of Eckert et al. (2002/0069161).

As per claim 12;

Maltzman does not disclose:

The method of claim 10 wherein if more than one bid is received comprising the same price per share, shares are allocated for that price on a pro rata basis.

However, Eckert et al. discloses:

An auction system using the Vickrey method that allocates shares at the same price per share on a pro rata basis.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods and systems of Maltzman and Eckert et al.

One of ordinary skill in the art would be motivated to do so in order to determine applicable note distributions and a clearing price.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to William E. Rankins whose telephone number is 571-270-3465. The examiner can normally be reached on M-F 7:30 AM - 5:00 PM, off alt Fridays beg 6/15/07.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on 571-272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

William E Rankins
Examiner
Art Unit 3609

THOMAS A. DIXON
SUPERVISORY PATENT EXAMINER